

HOUSE BILL 697

C5

01r0900
CF 01r2131

By: **Delegates Hecht, Barkley, Harrison, Kirk, and Krysiak**
Introduced and read first time: February 4, 2010
Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Public Service Commission – Competitive Electricity and Gas Supplier**
3 **Referral Program**

4 FOR the purpose of requiring the Public Service Commission to establish a
5 Competitive Electricity and Gas Supplier Referral Program by a certain date;
6 specifying the terms and conditions under which an electricity or gas supplier
7 may participate in the Program; requiring electric and gas companies to include
8 certain information in certain customer bills in a certain manner at certain
9 times; requiring an electric company or a gas company to provide to certain
10 customers a certain opportunity at a certain time; requiring an electric company
11 or a gas company to take certain actions to enroll certain customers with certain
12 suppliers under certain circumstances; requiring electric or gas companies to
13 provide certain notice in a certain form within a certain time period; requiring a
14 certain electricity supplier or gas supplier to provide a certain customer with a
15 certain sales agreement containing certain information within a certain time
16 period; providing the mechanism by which a certain sales agreement takes
17 effect; providing for the application of a certain provision; requiring a certain
18 electricity or gas supplier to provide certain notice to a customer within a
19 certain period before the end of a certain term; providing that a customer
20 remains the customer of a certain electricity or gas supplier under certain
21 circumstances; providing that a certain electricity or gas supplier has made a
22 certain affirmation under certain circumstances; requiring an electric or gas
23 company to make available certain information on request; prohibiting certain
24 customers from being charged certain additional fees; providing for the
25 application of this Act; defining certain terms; and generally relating to
26 electricity and gas supply services.

27 BY repealing and reenacting, without amendments,
28 Article – Public Utility Companies
29 Section 1–101(h), (j), (k), and (n)
30 Annotated Code of Maryland

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.
[Brackets] indicate matter deleted from existing law.



1 (2008 Replacement Volume and 2009 Supplement)

2 BY adding to

3 Article – Public Utility Companies

4 Section 7–518

5 Annotated Code of Maryland

6 (2008 Replacement Volume and 2009 Supplement)

7 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
8 MARYLAND, That the Laws of Maryland read as follows:

9 **Article – Public Utility Companies**

10 1–101.

11 (h) (1) “Electric company” means a person who physically transmits or
12 distributes electricity in the State to a retail electric customer.

13 (2) “Electric company” does not include:

14 (i) the following persons who supply electricity and electricity
15 supply services solely to occupants of a building for use by the occupants:

16 1. an owner/operator who holds ownership in and
17 manages the internal distribution system serving the building; or

18 2. a lessee/operator who holds a leasehold interest in
19 and manages the internal distribution system serving the building;

20 (ii) any person who generates on–site generated electricity; or

21 (iii) a person who transmits or distributes electricity within a
22 site owned by the person or the person’s affiliate that is incidental to a primarily
23 landlord–tenant relationship.

24 (j) (1) “Electricity supplier” means a person:

25 (i) who sells:

26 1. electricity;

27 2. electricity supply services;

28 3. competitive billing services; or

29 4. competitive metering services; or

1 (ii) who purchases, brokers, arranges, or markets electricity or
2 electricity supply services for sale to a retail electric customer.

3 (2) “Electricity supplier” includes an electric company, an aggregator,
4 a broker, and a marketer of electricity.

5 (3) “Electricity supplier” does not include:

6 (i) the following persons who supply electricity and electricity
7 supply services solely to occupants of a building for use by the occupants:

8 1. an owner/operator who holds ownership in and
9 manages the internal distribution system serving the building; or

10 2. a lessee/operator who holds a leasehold interest in
11 and manages the internal distribution system serving the building; or

12 (ii) a person who generates on-site generated electricity.

13 (k) (1) “Gas company” means a public service company that:

14 (i) is authorized to install or maintain facilities in, over, or
15 under streets for furnishing or distributing gas; or

16 (ii) owns a gas plant and:

17 1. transmits, sells, supplies, or distributes artificial or
18 natural gas; or

19 2. manufactures gas for distribution or sale.

20 (2) “Gas company” includes a municipal corporation that is in the
21 business of supplying gas for other than municipal purposes.

22 (n) (1) “Gas supplier” means a person who:

23 (i) sells:

24 1. gas;

25 2. gas supply services; or

26 3. competitive billing services for gas supply services; or

27 (ii) purchases, brokers, arranges, or markets gas or gas supply
28 services for sale to a retail gas customer.

1 (2) "Gas supplier" includes an aggregator, a broker, and a marketer of
2 gas.

3 (3) "Gas supplier" does not include:

4 (i) a gas company to the extent that the gas company provides
5 gas sales or delivery service at rates regulated by the Commission;

6 (ii) the following persons who supply gas solely to occupants of a
7 building for use by the occupants:

8 1. an owner/operator who holds ownership in and
9 manages the internal distribution system serving the building; and

10 2. a lessee/operator who holds a leasehold interest in
11 and manages the internal distribution system serving the building; or

12 (iii) a person who transmits or distributes gas within a site
13 owned by the person or the person's affiliate that is incidental to a primarily
14 landlord-tenant relationship.

15 **7-518.**

16 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE
17 MEANINGS INDICATED.

18 (2) "ELIGIBLE CUSTOMER" OR "CUSTOMER" MEANS:

19 (I) A RESIDENTIAL RETAIL ELECTRIC OR GAS CUSTOMER;

20 (II) A COMMERCIAL RETAIL ELECTRIC CUSTOMER THAT
21 DOES NOT HAVE:

22 1. A METERED 30-MINUTE DEMAND OF 25
23 KILOWATTS OR MORE;

24 2. ENERGY CONSUMPTION THAT EXCEEDS 6,000
25 KILOWATT HOURS DURING CONSECUTIVE WINTER BILLING MONTHS; OR

26 3. A MONTHLY ENERGY CONSUMPTION THAT
27 EXCEEDS 7,500 KILOWATT HOURS FOR A SINGLE SUMMER BILLING MONTH; OR

28 (III) A COMMERCIAL RETAIL GAS CUSTOMER AS DEFINED BY
29 A GAS COMPANY DISTRIBUTION TARIFF.

1 **(3) “PARTICIPATING ELECTRICITY OR GAS SUPPLIER” MEANS AN**
2 **ELECTRICITY SUPPLIER OR GAS SUPPLIER THAT:**

3 **(I) OFFERS COMPETITIVE ELECTRICITY OR GAS SUPPLY**
4 **SERVICES TO ELIGIBLE CUSTOMERS; AND**

5 **(II) HAS BEEN AUTHORIZED TO PARTICIPATE IN THE**
6 **COMPETITIVE ELECTRICITY AND GAS SUPPLIER REFERRAL PROGRAM UNDER**
7 **THIS SECTION.**

8 **(4) “PROGRAM” MEANS A COMPETITIVE ELECTRICITY AND GAS**
9 **SUPPLIER REFERRAL PROGRAM UNDER THIS SECTION.**

10 **(5) “QUALIFYING ELECTRIC OR GAS OFFER” OR “OFFER” MEANS**
11 **AN OFFER BY A PARTICIPATING ELECTRICITY OR GAS SUPPLIER TO PROVIDE**
12 **FULL REQUIREMENT COMMODITY ELECTRICITY OR GAS SUPPLY SERVICES AND**
13 **ALL OTHER GENERATION-RELATED OR GAS-RELATED SUPPLY SERVICES TO**
14 **ELIGIBLE CUSTOMERS:**

15 **(I) IF THE CUSTOMER HAS NOT PREVIOUSLY RECEIVED A**
16 **10% DISCOUNT FROM A PARTICIPATING ELECTRICITY OR GAS SUPPLIER UNDER**
17 **THIS SECTION, AT AN INTRODUCTORY 10% DISCOUNT FROM THE REGULAR**
18 **SUPPLY RATE FOR THE FIRST 2 MONTHS OF SERVICE; AND**

19 **(II) AFTER THE FIRST 2 MONTHS OF SERVICE, ON A**
20 **MONTH-TO-MONTH BASIS.**

21 **(B) THIS SECTION DOES NOT PROHIBIT AN ELECTRICITY SUPPLIER OR**
22 **GAS SUPPLIER FROM NOTIFYING ELIGIBLE CUSTOMERS OF THE OPTION TO**
23 **CONTRACT WITH A PARTICIPATING ELECTRICITY OR GAS SUPPLIER BY ANY**
24 **OTHER FORM OF NOTICE OR ADVERTISING.**

25 **(C) (1) ON OR BEFORE OCTOBER 1, 2010, THE COMMISSION SHALL**
26 **ESTABLISH A COMPETITIVE ELECTRICITY AND GAS SUPPLIER REFERRAL**
27 **PROGRAM.**

28 **(2) THE TERMS AND CONDITIONS UNDER WHICH AN ELECTRICITY**
29 **SUPPLIER OR GAS SUPPLIER MAY QUALIFY AS A PARTICIPATING ELECTRICITY**
30 **OR GAS SUPPLIER IN THE PROGRAM SHALL REQUIRE:**

31 **(I) THE ELECTRICITY SUPPLIER OR GAS SUPPLIER TO**
32 **MAKE A QUALIFYING ELECTRIC OR GAS OFFER AVAILABLE TO ELIGIBLE**
33 **CUSTOMERS;**

1 **(II) SUBJECT TO PARAGRAPH (3) OF THIS SUBSECTION, A**
2 **QUALIFYING ELECTRIC OR GAS OFFER TO INCLUDE AN INTRODUCTORY 10%**
3 **DISCOUNT FOR THE FIRST 2 MONTHS OF SERVICE; AND**

4 **(III) THE ELECTRICITY SUPPLIER OR GAS SUPPLIER TO**
5 **PARTICIPATE IN A CONSOLIDATED BILLING PROGRAM WITH THE ELECTRIC OR**
6 **GAS COMPANY.**

7 **(3) AN ELIGIBLE CUSTOMER MAY RECEIVE ONLY ONE**
8 **INTRODUCTORY 10% DISCOUNT FOR ELECTRICITY SUPPLY AND ONE**
9 **INTRODUCTORY 10% DISCOUNT FOR GAS SUPPLY UNDER THE PROGRAM.**

10 **(D) AN ELECTRIC COMPANY OR GAS COMPANY SHALL INCLUDE IN THE**
11 **BILL OF ELIGIBLE CUSTOMERS EACH CALENDAR QUARTER A LIST OF**
12 **THEN-CURRENT QUALIFYING ELECTRIC OR GAS OFFERS FROM PARTICIPATING**
13 **ELECTRICITY OR GAS SUPPLIERS IN A FORM THAT WILL ALLOW THE CUSTOMER**
14 **TO ACCEPT AN OFFER BY RETURN MAIL.**

15 **(E) (1) (I) EACH ELECTRIC COMPANY AND GAS COMPANY SHALL**
16 **OPERATE A TELEPHONE CALL CENTER TO IMPLEMENT THIS SUBSECTION.**

17 **(II) IN ADDITION TO OPERATING A CALL CENTER, AN**
18 **ELECTRIC COMPANY OR GAS COMPANY MAY REFER ELIGIBLE CUSTOMERS TO A**
19 **PARTICIPATING ELECTRICITY OR GAS SUPPLIER BY OTHER MEANS.**

20 **(2) IN A MANNER APPROVED BY THE COMMISSION, EACH**
21 **ELECTRIC COMPANY AND GAS COMPANY SHALL PROVIDE AN ELIGIBLE**
22 **CUSTOMER THE OPPORTUNITY TO CONTRACT WITH A PARTICIPATING**
23 **ELECTRICITY OR GAS SUPPLIER FOR ELECTRICITY OR GAS SUPPLY SERVICES**
24 **WHENEVER THE CUSTOMER:**

25 **(I) INITIATES NEW ELECTRIC OR GAS SERVICE;**

26 **(II) REINITIATES ELECTRIC OR GAS SERVICE FOLLOWING A**
27 **CHANGE OF RESIDENCE OR BUSINESS LOCATION;**

28 **(III) INQUIRES REGARDING ELECTRIC OR GAS RATES; OR**

29 **(IV) SEEKS INFORMATION REGARDING ENERGY EFFICIENCY**
30 **PROGRAMS OR SERVICES.**

31 **(3) (I) IF AN ELIGIBLE CUSTOMER ELECTS TO SWITCH**
32 **ELECTRICITY SUPPLIERS OR GAS SUPPLIERS UNDER THE PROGRAM, THE**
33 **ELECTRIC COMPANY OR GAS COMPANY SHALL GIVE THE CUSTOMER THE**

1 OPPORTUNITY TO IDENTIFY BY NAME THE PARTICIPATING ELECTRICITY OR GAS
2 SUPPLIER TO WHICH THE CUSTOMER WISHES TO BE SWITCHED, AND:

3 1. IF THE CUSTOMER IDENTIFIES A PARTICIPATING
4 ELECTRICITY OR GAS SUPPLIER BY NAME, IMMEDIATELY ENROLL THE
5 CUSTOMER; OR

6 2. IF THE CUSTOMER DECLINES TO IDENTIFY A
7 PARTICIPATING ELECTRICITY OR GAS SUPPLIER BY NAME, IMMEDIATELY
8 ENROLL THE CUSTOMER ON A ROTATING BASIS WITH A PARTICIPATING
9 ELECTRICITY OR GAS SUPPLIER SELECTED FROM A LIST OF ELECTRICITY OR
10 GAS SUPPLIERS WHICH MEET MINIMUM ELIGIBILITY REQUIREMENTS
11 ESTABLISHED BY THE COMMISSION FOR PARTICIPATION IN THE PROGRAM.

12 (ii) WITHIN 3 DAYS AFTER ENROLLMENT, THE ELECTRIC
13 COMPANY OR GAS COMPANY SHALL:

14 1. SEND THE CUSTOMER A LETTER IN A FORM
15 APPROVED BY THE COMMISSION CONFIRMING THE ENROLLMENT; AND

16 2. ELECTRONICALLY NOTIFY THE PARTICIPATING
17 ELECTRICITY OR GAS SUPPLIER OF THE ENROLLMENT.

18 (iii) 1. WITHIN 5 DAYS AFTER RECEIVING NOTICE OF A
19 NEW ENROLLMENT THROUGH THE PROGRAM, A PARTICIPATING ELECTRICITY
20 OR GAS SUPPLIER SHALL PROVIDE THE CUSTOMER WITH A SALES AGREEMENT
21 GOVERNING BOTH THE INTRODUCTORY AND POSTINTRODUCTORY PERIODS.

22 2. UNLESS RESCINDED BY THE CUSTOMER WITHIN 3
23 DAYS AFTER RECEIPT OF A SALES AGREEMENT UNDER ITEM 1 OF THIS
24 SUBPARAGRAPH BY THE CUSTOMER IN A MANNER APPROVED BY THE
25 COMMISSION, THE AGREEMENT SHALL TAKE EFFECT WITHOUT ANY FURTHER
26 ACTION BY THE CUSTOMER.

27 3. THE ABILITY OF THE CUSTOMER TO RESCIND AN
28 AGREEMENT UNDER ITEM 2 OF THIS SUBPARAGRAPH DOES NOT AFFECT THE
29 ABILITY OF THE CUSTOMER TO CANCEL THE AGREEMENT WITHOUT A
30 CANCELLATION FEE IN ACCORDANCE WITH PARAGRAPH (4) OF THIS
31 SUBSECTION.

32 (4) (i) AT LEAST 10 DAYS BEFORE THE END OF THE 2-MONTH
33 INTRODUCTORY PERIOD:

1 **1. A PARTICIPATING ELECTRICITY OR GAS SUPPLIER**
2 **SHALL NOTIFY THE CUSTOMER:**

3 **A. THAT THE INTRODUCTORY PERIOD HAS ENDED;**
4 **AND**

5 **B. OF THE PRICE FOR ELECTRICITY OR GAS SUPPLY**
6 **IN THE POSTINTRODUCTORY PERIOD; AND**

7 **2. AN ELIGIBLE CUSTOMER SHALL REMAIN A**
8 **CUSTOMER OF A PARTICIPATING ELECTRICITY OR GAS SUPPLIER UNLESS THE**
9 **CUSTOMER NOTIFIES THE PARTICIPATING ELECTRICITY OR GAS SUPPLIER THAT**
10 **THE CUSTOMER WISHES TO CANCEL THE AGREEMENT.**

11 **(II) A PARTICIPATING ELECTRICITY OR GAS SUPPLIER HAS**
12 **AFFIRMED PROPER NOTICE TO A CUSTOMER OF A PRICE CHANGE AT THE TIME**
13 **THAT THE PARTICIPATING ELECTRICITY OR GAS SUPPLIER SENDS THE NOTICE**
14 **REQUIRED UNDER SUBPARAGRAPH (I)1 OF THIS PARAGRAPH.**

15 **(F) ON REQUEST OF AN ELIGIBLE CUSTOMER OR THE CUSTOMER'S**
16 **AUTHORIZED REPRESENTATIVE, AN ELECTRIC COMPANY OR GAS COMPANY**
17 **SHALL MAKE AVAILABLE TO THE CUSTOMER OR CUSTOMER'S REPRESENTATIVE,**
18 **AT NO CHARGE TO THE CUSTOMER OR CUSTOMER'S REPRESENTATIVE,**
19 **CUSTOMER METER DATA AND USAGE INFORMATION:**

20 **(1) USING CUSTOMER IDENTIFICATION INFORMATION OTHER**
21 **THAN A CUSTOMER ACCOUNT NUMBER; AND**

22 **(2) IN A TIMELY AND EFFICIENT MANNER THAT MAY INCLUDE**
23 **PROVIDING THE INFORMATION IN AN ELECTRONIC FORMAT.**

24 **(G) AN ELECTRIC COMPANY OR GAS COMPANY MAY NOT CHARGE AT**
25 **ANY TIME AN ELIGIBLE CUSTOMER WHO RECEIVES ELECTRICITY OR GAS**
26 **SUPPLY SERVICES FROM STANDARD OFFER SERVICE ANY ADDITIONAL FEE TO:**

27 **(1) SWITCH THE CUSTOMER TO A PARTICIPATING ELECTRICITY**
28 **OR GAS SUPPLIER;**

29 **(2) RETURN THE CUSTOMER TO STANDARD OFFER SERVICE; OR**

30 **(3) SWITCH THE CUSTOMER TO ANOTHER PARTICIPATING**
31 **ELECTRICITY SUPPLIER OR GAS SUPPLIER.**

1 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
2 June 1, 2010.